



# Trade World UTAH

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May 2006

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## **EVENT! May 18- Protecting Your Intellectual Property Rights (IPR) in Mexico**

The US Commercial Service in Mexico invites you to join the ninth installment of our monthly webex series. This month's topic is "Protecting Your Intellectual Property Rights (IPR) in Mexico". The session will take place on Thursday May 18, 2006 at 12:00 PM Eastern (11 AM Central and 9 AM Pacific).

"Protecting Your Intellectual Property Rights (IPR) in Mexico" is designed to give U.S. Exporters of goods and services to Mexico an understanding of the current IPR environment in Mexico and resources the US government has available to assist companies looking to protect their interests abroad. The feature presenter, Alfredo Molina of Arochi, Marroquin and Lindner, is a well-respected local attorney with years of experience with IPR issues in Mexico. He brings a unique insight into the challenges that U.S. companies face in securing and protecting their IPR. Joining Mr. Molina will be Susan Wilson - Director, Office of Intellectual Property Rights of the Department of Commerce and Tom Reott - Economics Officer at the Embassy in Mexico City, who will each discuss US government initiatives to promote IPR protection in Mexico and throughout the world.

To register, go to: [https://www.buyusa.gov/mexico/en/sharing\\_more\\_than\\_a\\_border.html](https://www.buyusa.gov/mexico/en/sharing_more_than_a_border.html)

## **EVENT! May 22- Selling Overseas 101- Strategic Exporting Webinar Exporting has never been easier!**

This webinar will introduce you to the basic information, methods and strategies to help you export your products abroad. It is designed for company decision makers who are thinking about exporting or want to expand exports to multiple markets. The U.S. Commercial Service, in cooperation with the National Association of Manufacturers, has assembled a panel of experts on each step of the exporting process.

May 22, 2006, 2:00 PM EDT/11:00 AM PDT.

Learn about the following topics:

- Organizing for Export
- U.S. Export Regulations
- Getting Paid
- International Logistics
- Building an Overseas Infrastructure and Growing Your International Business
- Assessing Risk and Opportunity

· Resources to Help You

Is there a cost to view this webinar and how do I participate?

No. It is free! All you need to participate is a computer and a high speed Internet connection. After registering for the event, we'll send you a Web link to log on. Easy as 1-2-3!

To register, contact Linda Abbruzzese at [Linda.Abbuzzese@NOSPAM.mail.doc.gov](mailto:Linda.Abbuzzese@NOSPAM.mail.doc.gov)2 .

If you can't attend the live event.....

You can watch the archived version on our export channel at <http://www.globalspeak.com/html/export-gov/webcasts.asp3>.

**EVENT! May 23- U.S. Free Trade Agreements in the Americas; What Your Company Should Know**

**What:** Seminar on navigating the various U.S. Free Trade Agreements throughout the Western Hemisphere (e.g. NAFTA, CAFTA-DR, U.S.-Chile), conducted by the Salt Lake City Export Assistance Center, in cooperation with the Salt Lake Small Business Development Center. Andrew Rudman, Director of the U.S. Department of Commerce's Office of NAFTA & Inter-America Affairs, will provide an overview of the various U.S. free trade agreements throughout the Western Hemisphere and explain how Utah exporters can leverage such agreements in an effort to increase their exporting activity in these markets.

**When:** Tuesday, May 23, 2006, 4:00-5:00 p.m.

**Where:** Utah Export Assistance Center, 9690 S. 300 W., Suite 333 Sandy, UT 84070  
Cost: \$10

To register for this event, please complete & submit the U.S. Free Trade Agreements in the Americas Registration Form<sup>5</sup>, or call David Fiscus at the U.S. Department of Commerce on 801/255-1871 or e-mail [David.Fiscus@mail.doc.gov](mailto:David.Fiscus@mail.doc.gov).

Payment of participation fee is due in full at time of registration. To pay by credit card, please contact the Salt Lake City Export Assistance Center at 801/255-1871. Please send check payment to:

Salt Lake City Export Assistance Center  
9690 S. 300 W., Suite 331  
Sandy, UT 84070

Note: checks must be received by the time of the seminar to ensure registration.

**EVENT! May 24- Zions Bank International Trade and Business Conference Featuring Steve Forbes, president and CEO of Forbes, Inc, as Keynote Speaker**

Zions Bank will be hosting the Fifth Annual International Trade & Business Conference on Thursday, May 24 at the Grand America Hotel in Salt Lake City from 8:30 a.m. to 1:30 p.m. This part-day conference will be packed with ideas and advice regarding business and the global economy, and will include a continental breakfast and lunch. Steve Forbes, president and CEO of Forbes, Inc., will be the keynote speaker. As an influential pro-growth advocate and a writer and speaker on domestic and foreign policy issues, Mr. Forbes is one of the most respected men of

our time. As editor-in-chief of Forbes Magazine he also runs the nation's foremost business magazine. Utah Governor Jon Huntsman Jr. and Zions Bank President and CEO Scott Anderson will also address the conference.

Registration cost is \$30. To register, please contact Sherry Durrant at [sdurrant@N0SPAM.zionsbank.com](mailto:sdurrant@N0SPAM.zionsbank.com) , or go to:  
<http://www.zionsbank.com/itbconference.jsp?cid=23647>.

Please note that agenda details are subject to change without notice.

**The EU Regulation outlining 14% retaliatory tariffs on certain imported US goods, will now be withdrawn**

*by U.S. Commerical Service Office at U.S. Mission to the European Union*

The EU Regulation outlining 14% retaliatory tariffs on certain imported US goods, will now be withdrawn.

Yesterday (May 11, 2006), US Congress voted to repeal the FSC grandfathering benefits for sales contracts which was the EU's primary impetus for initiating the tariffs. The Commission will now suspend these additional customs duties. Timing of a repeal is unclear but if duties are collected beginning May 16, it is our understanding that they will be retroactively refunded once the new regulation is enacted.

The Directorate General of Trade posted the following statement to its web site this morning (May 12, 2006):

"The European Union has warmly welcomed the repeal by the US Congress of WTO incompatible tax breaks for US companies contained in the Jobs Act. The US has today repealed the tax benefits as part of wider tax legislation. The EU welcomes the constructive work of the USTR's office and Chairman Bill Thomas and Chairman Charles Grassley in removing the measures from US law.

EU Trade Commissioner Peter Mandelson said: "I welcome the constructive line taken by the US, in particular by USTR Rob Portman and USTR-designate Susan Schwab and by Chairman Thomas and Chairman Grassley. This decision also creates a positive atmosphere for the EU-US Summit in June."

The US decision contributes to a positive atmosphere in the EU-US trade relationship to coincide with the transition to incoming USTR Susan Schwab and as the EU and US prepare for the EU-US Summit in June. The EU, which had been authorized by the WTO to enforce retaliatory measures if the tax benefits were not removed, will now withdraw the reintroduction of sanctions foreseen for May 16."

As more details become available, we will share them with you.

**Egypt: Market of the Month**

With a population of 77.5 million people, Egypt's market is by far the largest in the Middle East and North Africa. Best prospects for U.S. companies include oil and gas, power generation and transmission, telecommunications and information-technology, consumer goods. Also the tourism industry provides increasing opportunities for exporters, including hotel equipment, environmental management services, airport and related infrastructure, U.S. building systems and equipment, and U.S. project management.

Learn more about opportunities in Egypt today!:  
[http://www.export.gov/articles/exp\\_mom\\_egypt.asp8](http://www.export.gov/articles/exp_mom_egypt.asp8)

**THE STOP INITIATIVE: WORKING TO PROTECT INTELLECTUAL PROPERTY RIGHTS** Pirated and counterfeit products are entering the United States at an alarming rate. Here is information about a program working to stop it.

*by Sebastian Wright , U.S. Department of Commerce*

Are you certain that the toothpaste you used this morning was really the brand-name product you thought it was? Did you buy it from a reputable source? Did you carefully inspect the label to make sure you were buying what you thought you were?

Pirated and counterfeit products are entering the U.S. market at an alarming rate. U.S. Customs and Border Protection reports that the number of seizures of counterfeit and fake products at our borders more than doubled from 2000 to 2004. Those fake products can endanger our health and safety, as well as adversely affect U.S. businesses by threatening innovation and workers' livelihoods.

The Challenges of Intellectual Privacy Rights "Theft"

As the United States moves into the 21st century and continues to leverage its knowledge economy, our economic prosperity depends more and more on the benefits derived from our intellectual property. Meanwhile, the counterfeiters are working harder and getting better at making fake goods and moving them around the world to unsuspecting consumers.

Faced with these challenges, the federal government is working hard to help U.S. companies protect their intellectual property. The Strategy Targeting Organized Piracy (STOP) Initiative is the government's plan to combat piracy and counterfeiting in the United States and around the globe.

The STOP Initiative is a comprehensive program designed to confront intellectual property theft and to dismantle the criminal networks that traffic in counterfeit and pirated goods. It seeks to empower U.S. companies to protect their intellectual property rights (IPR), to stop trade in fake products at U.S. borders, to keep such products out of the global supply chain, and to ensure that U.S. companies receive the benefits of the trade agreements signed by the United States.

The STOP Initiative is focused on helping individuals and businesses, including small and medium-sized enterprises, protect their IPR in the United States and abroad. Many individuals and companies faced with a foreign company knocking off their products do not know where to turn for information or how to develop a strategy to resolve their problem. The U.S. government

established a hotline and a Web-based complaint form that owners or prospective owners of IPR can use to file a complaint or ask an IPR question. You can reach an experienced Patent and Trademark Office attorney at (866) 999-HALT (866-999-4258) or you can visit [www.stopfakes.gov](http://www.stopfakes.gov) to find information on intellectual property basics and available government resources, as well as to file a complaint.

The STOP Initiative has also published IPR toolkits for rights owners doing business in, or considering doing business in, China, Mexico, Taiwan, and South Korea, with more toolkits on the way. The toolkits contain materials describing the scope of the IPR problems, suggesting ways U.S. companies can protect their rights, and listing steps to consider if someone infringes on these rights.

### A Focus on China

China is a source for many of the pirated and fake products entering the United States. U.S. Customs and Border Protection reports that more than 60 percent of the fake and counterfeit goods intercepted at U.S. borders originate in China. Many of those products—from car parts to toys to pharmaceuticals—endanger not only our economic interests, but also our health and safety. In the context of the STOP Initiative and beyond, the federal government is committed to confronting intellectual property theft in China and to protecting the rights of American businesses and innovators, as well as the safety of U.S. citizens.

The U.S. government is working to ensure that China lives up to its commitments to the international trading community. Through the U.S.–China Joint Commission on Commerce and Trade, the U.S. Trade Representative's annual "top to bottom" review of China's IPR policies and practices, and the mechanisms available through the World Trade Organization, the U.S. government is actively engaging the Chinese government on intellectual property enforcement issues.

As part of the STOP Initiative, the U.S. Department of Commerce (DOC), in cooperation with the American Bar Association, the National Association of Manufacturers, and the American Chamber of Commerce in China, established the China Intellectual Property Rights Advisory Program. Through this program, U.S. small and medium-sized businesses can request a free, one-hour consultation with a private attorney experienced in both the Chinese IPR law and the Chinese market to learn how to protect and enforce IPR in China.

### Enforcement at Trade Fairs

The STOP Initiative is also working to promote protection of intellectual property at trade fairs. The DOC, through its Office of Intellectual Property Rights, and the U.S. and Foreign Commercial Service are working to enhance protection of IPR at their own trade fairs, are conducting IPR outreach and education for trade fair organizers and exhibitors, and are working with industry and foreign governments to address this breeding ground for counterfeiting and piracy worldwide.

### Continuing Efforts by Law Enforcement Agencies

U.S. law enforcement agencies are also stepping up their efforts to catch the counterfeiters and pirates. Through the National Intellectual Property Law Enforcement Coordination Council, the U.S. government is working to leverage the experience and assets of law enforcement agencies to combat fake and counterfeit products in the United States and abroad. The STOP Initiative has raised the level of intellectual property–related law enforcement cooperation among U.S. authorities and between the United States and key foreign authorities.

America’s intellectual property is critical to our economic strength and, consequently, our national security. It is a necessary component in our continued growth and technological leadership. Through the STOP Initiative, the U.S. government is working to stop the criminals that endanger our health, safety, and prosperity.

**Singapore and Chile Free Trade Agreements at the Two-Year Mark**Free trade agreements with Chile and Singapore have been in effect for two years now. Here is an assessment of how successful they have been in opening new markets for U.S. goods and services.

This past January marked the two-year anniversary of implementing of free trade agreements (FTAs) with two key U.S. commercial partners, Chile and Singapore.

**Chile: Two Years of Strong Growth**

Total bilateral trade between the United States and Chile rose 85 percent since the FTA came into effect. In 2005, U.S. exports of goods to Chile totaled \$5.2 billion, a 91 percent increase from the \$2.7 billion level reached in 2003, which was the last year before the FTA came into effect. For the second year in a row, U.S. exports gained market share in Chile, rising to 15.8 percent in 2005.

“The free trade agreement between the United States and Chile is quickly producing very positive and measurable results for both the United States and Chile,” said U.S. Under Secretary for International Trade Franklin L. Lavin. “After breaking down trade barriers from both nations, U.S. exports to Chile have nearly doubled in just two years, which is good news for our growing economy and U.S. workers.”

Under the FTA, U.S. exports continued to win back the market share that had been lost in previous years to other countries that had negotiated FTAs with Chile. Sectors that showed particular increases from pre-FTA levels include the following:

Automatic data processing machines: up 46 percent to \$267.7 million  
Motor vehicles for the transport of goods: up 387 percent to \$276.6 million  
Motor cars and vehicles for transporting people: up 120 percent to \$116.2 million  
Self-propelled bulldozers, angledozers, graders, levelers, and scrapers: up 132 percent to \$117.7 million  
Tractors: up 196 percent to \$41.4 million

**Singapore: The First Asian FTA Proves Successful**

The city-state of Singapore, a center of trade and commerce in Southeast Asia since the early 19th century, has long been an important trading partner for the United States. The FTA with Singapore, the first FTA between the United States and an Asian country, expanded on the thriving relationship by immediately eliminating tariffs on goods and aiming to grant market access to U.S. service suppliers equal to that of domestic suppliers.

In 2005, Singapore ranked 11th as an export destination for U.S. goods, buying some 2.3 percent of total U.S. exports. Export of goods to Singapore rose from \$16.6 billion in 2003 (the last year before the FTA) to \$20.6 in 2005, which was an increase of 24 percent. During this same period, the U.S. trade surplus with Singapore tripled. It rose from \$1.4 billion in 2003 to \$5.2 billion in 2005.

Important market sectors for U.S. businesses exporting goods to Singapore include machinery, aircraft and parts, optical and medical instruments, pharmaceuticals, plastics, and electronic components.

Along with its FTA commitments, Singapore has developed one of the strongest intellectual property rights regimes in Asia. In 2004 and 2005, the government initiated a series of amendments to its laws governing patents, trademarks, and copyright, plus the laws for manufacturing optical disks, to better protect rights holders. Singapore is a signatory to the major international IPR agreements administered by the World Intellectual Property Organization.

For more information about these FTAs, as well as links to trade information and market profiles for Chile and Singapore, visit export.gov's Free Trade Agreement Web site: <http://www.export.gov/fta9>.

### **India: A Passage to Expanded Trade**

In the wake of President George W. Bush's recent visit to India, expanded commercial ties between India and the United States offer big opportunities for U.S. businesses.

The United States and India are logical, natural partners, sharing the same bedrock of democratic values. Although the relationship has not always lived up to its economic promise, India is increasingly enjoying a consensus on the importance of economic growth to create jobs and to elevate the lives of its people. Whether we look at the 2 million Americans of Indian descent or the 85,000 Indian students who come here annually, we can see that there is a good fit between our two countries on a range of issues.

The economic numbers bear this out. Twenty-five years ago, total bilateral trade was only \$2.8 billion. By 2005, that number had increased nearly tenfold to \$27 billion. U.S. exports to India have nearly doubled in the past three years, from \$4.1 billion in 2002 to nearly \$8 billion in 2005. With a population of more than 1 billion, a growing middle class, and an economy with an 8 percent growth rate, India is increasingly of interest to U.S. companies as a market for goods and services.

The United States has hoped that India will be a more active partner in opening world markets to free and fair trade. India has already undertaken important moves toward liberalization, such as

signing an open skies air services agreement with the United States and raising investment caps in several sectors. Also, import tariffs on most industrial goods have been lowered to 12.5 percent.

And there is evidence of results. The U.S. Commercial Service in India reports unprecedented interest by U.S. companies this year. State delegations from Illinois, Iowa, Michigan, and Rhode Island have visited India in the past few months.

### Challenges Remain

Despite the encouraging trade numbers and the progress that India has made in implementing economic reforms in the past 15 years, a lot of ground still needs to be recovered if trade and investment are to reflect India's role in the world economy. India still has to make up for many years of little to no economic growth. As a point of reference, even with a 30 percent growth in U.S. exports last year, India accounts for less than 1 percent of all U.S. exports.

Among the challenges that remain are the following:

- High trade barriers. The more India can lower its barriers, the better off its people will be. Although India has significantly lowered tariffs on non-agricultural products, agricultural tariffs remain around 40 percent.
- Governance. If a society is hindered by corruption or bureaucracy, removing trade barriers will not help very much.
- Transparent and efficient legal system. This system is essential for translating the opportunity of market economics into benefits for India's citizens.
- Vibrant intellectual property rights (IPR) regime. Some progress has been made toward creating a more comprehensive framework for IPR protection in India. Still, India does not currently have a data exclusivity regime for pharmaceutical and agricultural products consistent with the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement. Also, many people perceive an uneven enforcement of India's existing trademark and copyright laws.
- Open retail sector. Although India has recently opened up a sliver of its retail sector to foreign investment, that sector is still closed to most American retailers. Opening this sector would greatly benefit Indian consumers. It would allow them more convenient access to desired consumer goods at lower prices.

### Opening a New Page: The Commercial Dialogue

While visiting India in March, President Bush agreed with Prime Minister Manmohan Singh to take several specific actions regarding the commercial dialogue between the two countries. This process began in July 2005, when the two leaders agreed to revitalize the bilateral Economic Dialogue. To fulfill that commitment, the U.S. Department of Commerce (DOC) and India's Ministry of Commerce and Industry have taken steps with their part of the Economic Dialogue—the Commercial Dialogue.

Both sides have committed to regular contact to discuss nuts-and-bolts issues that affect doing business in each other's markets. Under the Commercial Dialogue, a number of substantive public-private sessions have been held on standards. In general, principles on how standards are established, administered, and enforced by both countries were discussed.

The Indian government recently accepted the DOC's proposal that the U.S.–India Commercial Dialogue be elevated, enhanced, and expanded and that it should demonstrate greater engagement by the two private sectors. The expanded agenda for the Commercial Dialogue covers IPR enforcement, antidumping and countervailing duty procedures, and commercial opportunities for small and medium-sized enterprises.

### Future Steps

The upgraded Commercial Dialogue reflects the high level of importance that has been placed on improved commercial relations with India. The dialogue with India is one of only four such dialogues currently in progress, joining those with the North America Free Trade Agreement signatories, the European Union, and China.

In May, Under Secretary for International Trade Franklin L. Lavin will travel to India, where he will meet with Indian Secretary of Commerce S. N. Menon and other government officials. They will tackle the challenges that remain in this bilateral relationship. Much work remains, but all of the elements of success are there to ensure long-lasting progress in the U.S.–Indian commercial relationship.

### Breaking into the Indian Market

The DOC recently designated India as a “spotlight” market for U.S. businesses. The U.S. and Foreign Commercial Service (USFCS) has identified some of the best prospects for U.S. exports to India. Those sectors include the following:

Information and communications technology; Medical equipment and health care;  
Environmental technologies; Renewable energy; Travel and tourism.

If you are a U.S. company looking to break into the Indian market as an exporter of goods or services, contact the Utah Export Assistance Center at 801/255-1871.